

# State of South Dakota

EIGHTY-FIRST SESSION  
LEGISLATIVE ASSEMBLY, 2006

554M0305

## HOUSE BILL NO. 1016

Introduced by: The Committee on State Affairs at the request of the Public Utilities  
Commission

1 FOR AN ACT ENTITLED, An Act to provide for the creation of a renewable electricity and  
2 recycled energy renewable energy credit system by the Public Utilities Commission.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 49-34A be amended by adding thereto a NEW SECTION to read  
5 as follows:

6 For the purposes of this Act, renewable electricity and recycled energy include electricity  
7 generated from facilities using one or more of the following sources:

- 8 (1) Wind that uses wind as the source of energy to produce electricity;
- 9 (2) Solar that uses the sun as the source of energy to produce electricity;
- 10 (3) Hydroelectric that uses water as the source of energy to produce electricity, with a  
11 capacity of less than sixty megawatts;
- 12 (4) Hydrogen that is generated from one of the sources listed in this section;
- 13 (5) Biomass that uses agricultural crops and agricultural wastes and residues, wood and  
14 wood wastes and residues, animal and other degradable organic wastes, or landfill  
15 gas as the fuel to produce electricity;



1       (6)    Geothermal that uses energy contained in heat that continuously flows outward from  
2            the earth as the source of energy to produce electricity; and

3       (7)    Recycled energy systems that produce electricity from currently unused waste heat  
4            resulting from combustion or other processes and which do not use an additional  
5            combustion process. The term does not include any system whose primary purpose  
6            is the generation of electricity.

7       Section 2. That chapter 49-34A be amended by adding thereto a NEW SECTION to read  
8       as follows:

9       The commission may establish, or allow participation in, a system of renewable energy  
10       credits for electricity generated from renewable electricity or recycled energy. A renewable  
11       energy credit system shall track, record, and verify the trading of credits for electricity generated  
12       from renewable electricity and recycled energy sources among electric generators, utilities, and  
13       other interested entities within the state and with similar entities in other states. This Act applies  
14       to any provider of electricity that generates electricity from renewable electricity or recycled  
15       energy.

16       Section 3. That chapter 49-34A be amended by adding thereto a NEW SECTION to read  
17       as follows:

18       The commission may promulgate rules pursuant to chapter 1-26 concerning:

- 19       (1)    Requirements for tracking, recording, and verifying the trading of renewable energy  
20            credits;
- 21       (2)    Requirements for compliance with a renewable energy credit system;
- 22       (3)    Requirements for certification of renewable energy credits;
- 23       (4)    Requirements for participation in a regional system that relates to renewable energy  
24            credits; and

- 1       (5)   Requirements regarding the eligibility of a provider of electricity generated from
- 2       renewable electricity or recycled energy to participate in the system.